

DOSSIER: JACOPO ARBENZ GUZMAN

Arbenz won the 1950 presidential election, receiving more than 3 times the votes of his opponent. Charges of fraud were leveled, but generally it was considered that Arbenz fairly won the election.

Arbenz promised to reduce dependency on foreign markets and weaken the influence of foreign corporations.



His major promise was land reform since only 2% of the population owned 70% of the land.

His promises conflicted with the presence of U.S. corporations who controlled electrical utilities, the railroad, and Guatemala's major agricultural export, bananas. The United Fruit Company (later Chiquita) was the country's largest land owner and depended on its Guatemalan lands for approximately one quarter of its banana production.

Promises of reform did not go over well in Washington, D.C. The socialist idea of land distribution was, to the United States, a communist red flag.

In 1952 Arbenz' administration enacted an agrarian reform law known as Decree 900. The law empowered the government to take uncultivated land on estates larger than 672 acres and divide it among individual families. The original owners would be compensated at tax value for their land. Arbenz gave up almost two thousand acres of his own land.

The government offered to buy United Fruit Company land at tax value, but the Company, as did other land owners, had purposely devalued its land's worth to pay lower taxes. The Company did not deal.

Arbenz did allow a Communist political party, along with multiple parties, to function in Guatemala. However, its influence within the government was small.

As early as 1951, the United States, wary of Arbenz' actions, planned Operation PBFORTUNE, which included a way to remove Arbenz if Communism became too influential in Guatemala. By 1954, during the administration of Dwight David Eisenhower, the government decided to topple Arbenz. The CIA operation, PBSUCCESS was up and running.

Arbenz resigned on June 27, 1954 and was forced to live in exile until his death in Mexico in 1971.

The Guatemalan government publicly apologized in May 2011 for the treatment of Arbenz and recognized the legacy of his presidency. There was a financial settlement for his family. Currently, Arbenz' son is a Guatemalan politician.

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